



Preservation Makes ¢ent\$

Support H.R. 2479, the Creating Prosperity through Preservation Act, and H.R. 2555, the Historic Homeownership Revitalization Act that would make improvements and additions to tax incentives for historic preservation. Together the bills create jobs, leverage private investment, generate economic development, revitalize communities AND save our American heritage.

The bond between economic development, job creation and historic preservation is unbreakable. Since it was created in 1976, the Federal Historic Tax Credit Program has spurred the rehabilitation of over 37,000 vacant or underutilized historic buildings, produced over 2 million new jobs, and leveraged over \$90.4 BILLION in private investment. It has brought to life abandoned and deteriorating historic buildings often located in some of the nation's most disinvested communities. In these cases, incentives for private development help create market-rate and affordable housing opportunities that stabilize both urban and rural neighborhoods. Additionally, nonresidential historic structures that no longer serve their intended purposes, such as warehouses, factories, mills, schools, and department stores can be adapted into productive and efficient places to live and work.

Improvements

H.R. 2479, the Creating American Prosperity Through Preservation Act (CAPP), introduced by Rep. Aaron Schock (R-IL) and Rep. Earl Blumenauer (D-OR) amends the existing Federal Historic Rehabilitation Tax Credit program (Internal Revenue Code Section 47) for commercial buildings to expand historic preservation's community revitalization and job-creating power, encourage greater reinvestment in America's Main Street neighborhoods, and foster economic development. If enacted, it would:

- Increase the tax credit for smaller, Main Street projects under \$5 million in qualified rehabilitation expenses to attract private re-investment in smaller towns and rural communities.
- Specify that the incentive for older, non-designated buildings worthy of preservation applies to buildings 50-years old or older, rather than a placed-in-service date of 1936.
- Make it easier for non-profit, community-based organizations to use the tax credit.
- Increase effectiveness by exempting state historic tax credits from federal income tax.
- Promote energy efficiency in historic rehabilitation projects by encouraging the use of energy-efficient technologies, reducing fuel consumption and saving valuable resources.

Additions

H.R. 2555, the Historic Homeownership Revitalization Act (HHRA), introduced by Rep. Michael Turner (R-OH) and Rep. Russ Carnahan (D-MO) adds a tax credit for owner-occupied historic homes (In Internal Revenue Code Section 25), and developers/rehabilitators of historic homes that is similar to the current tax credit for commercial buildings. A historic homeowner tax credit will help revitalize communities, increase their tax base, promote reinvestment, and create jobs. If enacted, it would:

- Institute a credit of up to 20% up to \$60,000 for rehabilitation costs that meet the Secretary of Interior's historic rehabilitation requirements, available to both homeowners and developers who rehabilitate historic homes for sale to individuals as their principal residence.
- Increase the credit for buildings in "high cost" or economically distressed areas.
- Allow for credits to be transferred or assigned creating additional revenue for the homeowner that could be used for other rehabilitation costs. Homeowners without much income could sell the credit to increase equity, enabling them to finance work on their home.